



**Federal Emergency Management Agency**  
Region IX Regional Office  
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May 15, 2000

## **Santa Ana River Levee Project Reduces Floodplain**

**LOMR Case Numbers:** 00-09-153P, 00-09-154P, 00-09-351P, 00-09-357P, 00-09-449P, 00-09-469P

**Effective Date:** June 14, 2000

**Affected Communities:** Orange County (unincorporated areas), Cities of Anaheim, Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Newport Beach, Orange, Santa Ana, and Westminster

### **Flood Insurance Rate Maps Revised in Two Phases**

The U.S. Army Corps of Engineers (USACE) has completed and certified the restoration of the Santa Ana River flood control system from Imperial Highway to the Pacific Ocean in Orange County, California. The Federal Emergency Management Agency (FEMA) and Orange County were required to identify the underlying floodplains or "special flood hazard areas" that remain due to local storm-water flooding after the protection from the Santa Ana River was in place. Special flood hazard areas are also known as floodplains. The identification of the underlying floodplains has now been completed for the majority of this area, except for a section of Fountain Valley and Huntington Beach that should be completed by FEMA before the end of December, 2000. As a result, FEMA will issue the flood map revisions in two phases. During the first phase, a Letter of Map Revision with an effective date of June 14, 2000, will be issued for each of the 10 affected communities in Orange County.

### **Flood Hazards Have Not Been Completely Eliminated**

The Letters of Map Revision remove most of the Zone A99 special flood hazard area designation that outlined the previous Santa Ana River high flood risk area. The new maps have placed almost 60 percent of this area in a flood Zone X where flood insurance is not required by federally regulated lenders. However, certain areas that are still at risk from other local flooding sources were placed in special flood hazard area designated Zone A, where flood insurance will continue to be required. These map revisions also identified four communities with new Zone A special flood hazard areas in locations adjacent to the Zone A99 that were previously in Zone X. Those communities include Orange County and the Cities of Anaheim, Costa Mesa, and Huntington Beach. The remaining Zone A99 areas in Fountain Valley and Huntington Beach will be removed in the second phase of the Letters of Map Revision when the study of underlying floodplains in that area is completed.

The communities that have received a Letter of Map Revision include Orange County (unincorporated areas), and the Cities of Anaheim, Costa Mesa, Fountain Valley, Garden Grove, Huntington Beach, Newport Beach, Orange, Santa Ana, and Westminster. Of the original entire Santa Ana River floodplain designated Zone A99, 17 percent remains in Zone A99, 26 percent has been converted to Zone A, and 57 percent has been converted to Zone X.

### **Advance Copies of Revised Flood Maps Issued**

FEMA has provided advance copies of the new flood map revisions for the Santa Ana River floodplain to these 10 communities. The advance copies of the new flood maps provide a special opportunity for residents of the new Zone A special flood hazard areas to buy flood insurance at the low rates available while they are still in Zones A99 or X. If you own a building that will be placed in a Zone A, the cost

for flood insurance will be much higher if you do not purchase a policy before June 14, 2000. That is the effective date of the new Letters of Map Revision.

### **Find Out What Flood Zone Your Property Will be Placed In**

A composite reference map has been provided to give a general idea of the areas that have been removed from the Santa Ana River based on the Zone A99 designation. If your property will be placed in a Zone A, it is important to have a flood insurance policy in place before June 14, 2000, the effective date of the new Letters of Map Revision. If your property will be placed in a Zone X, you may be eligible for a refund from your current flood insurance policy. See the instructions below under the heading "Flood Insurance Premium Refunds ...". If the property is still in a Zone A99, you will have to wait for phase two of the Letters of Map Revision to see what flood zone your property will be placed in. To actually determine if your property has been removed from the Zone A99 or Zone X and placed in a Zone A or Zone X, you should inspect the revised flood map panels attached to the Letter of Map Revision that was sent to your community officials. If your building will be placed in a Zone A when the new flood maps become effective and you currently have a flood insurance policy you can retain the Zone A99 or Zone X rate by simply renewing the policy each year before it expires. If your building will be placed in a Zone A on June 14, 2000, and you do not currently have a flood insurance policy, you should take advantage of this last opportunity to purchase a policy at the low Zone A99 or Zone X rates.

### **Flood Zone Definitions**

When inspecting the flood map panels, a basic understanding of the flood zone definitions is helpful. Special flood hazard areas have a 1-percent or greater chance of being flooded in any given year. They are shown on the Flood Insurance Rate Maps with flood zone designations that begin with the letter A or V. By law, federally regulated lenders must require borrowers to purchase and maintain flood insurance if the building used to secure the loan is in one of these zones. Flood zone designations include the following:

**Zone A99.** This refers to an area of special flood hazard where enough progress has been made on a protective system, such as dikes, dams, and levees, to consider it complete for insurance purposes.

**Zone A.** This is an area of special flood hazard without water surface elevations determined.

**Zone V** is an area of special flood hazard without water surface elevations determined, and with velocity, that is inundated by tidal floods (coastal high hazard areas).

Zones B, C, and X are areas of minimal to moderate flood hazard (where flood insurance is available but not required by federally regulated lenders).

### **Early Purchase of Flood Insurance Can Mean Big Savings**

The cost of purchasing a flood insurance policy while a building is still in an area designated Zone A99 or Zone X is much lower than the cost of purchasing a policy after the building is placed in a Zone A. For example, \$100,000 of flood insurance coverage on a single-family home located in a Zone A99 or X will cost \$351 per year. A \$100,000 policy for that same building after it is placed in Zone A will be \$595 per year. If you purchase flood insurance now at the Zone A99 rate, before the new maps become effective on June 14, 2000, your flood insurance policy can be "grandfathered" in at the low A99 rate. That means if you maintain continuous coverage with no lapse in the policy, you will be entitled to the lower Zone A99 or X rate each year the policy is renewed and you will not be required to pay the higher Zone A rates.

## **Where to Purchase Flood Insurance**

A flood insurance policy can be purchased from any licensed property/casualty insurance agent. However, not all agents have taken the training to learn how to write these policies. You should ask your regular homeowners insurance agent if he or she can write a flood insurance policy for you. If your agent cannot write the policy, ask for a referral to an agent who will write a flood insurance policy. If you are unable to locate an agent who will write a flood policy, call the National Flood Insurance Program (NFIP) telephone center at 1-800-427-4661 for a referral to an insurance agent in your area who will write a flood policy for you.

## **Flood Insurance Requirements No Longer Apply to Buildings Removed from Special Flood Hazard Areas**

Special flood hazard areas, or the “100-Year Floodplains,” are shown on the Flood Insurance Rate Maps with flood zone designations that begin with the letter A or V. By law, Federally regulated lenders must require owners of buildings within these zones to purchase and maintain flood insurance. When FEMA revises these maps, the federal mandatory purchase requirement no longer applies to buildings that are removed from Zones A or V and placed in a Zone B, C, or X. (Please note that a lender may still require a borrower to purchase flood insurance even if no longer required to do so by the Federal government.)

## **Flood Insurance Premium Refunds Available After June 14, 2000**

This applies only to property owners whose buildings are removed from the Zone A99 and placed in a Zone X. If your lender will now remove their flood insurance requirement, you are eligible for a full refund of your federally backed flood insurance policy for the current policy year, except in instances when a claim has been paid or is pending. To find out if you are eligible for a refund, you should:

1. Contact the community to determine if the building has been removed from the special flood hazard area. A list of community contacts is provided below. You may need to inspect the revised map panels attached to the Letter of Map Revision that was sent to the community offices. If you determine that your building has been removed from the Zone A99 but remains in an underlying Zone A, see the following section, “Residents of the Underlying Zone A...” If you determine that your building has been removed from the Zone A99 and placed in a Zone X, proceed with the remaining steps.
2. Obtain a copy of the Letter of Map Revision from the community. It is not necessary to obtain a copy of the map panel that is attached to the letter.
3. Send the lender a copy of that Letter of Map Revision along with a written request asking for a new flood map determination for your building based on this map revision. (Note: some lenders may charge a small fee.) Ask the lender for a letter confirming in writing that (1) the insurance was required as part of the mortgage, and (2) the requirement for flood insurance no longer applies because your building is now in a Zone X.
4. If your lender purchased the flood insurance policy for you and billed you for it, ask that lender to cancel the flood insurance policy and issue you a refund. Many of the policies purchased by lenders are not backed by the NFIP and therefore have a range of different refund standards. If you bought your flood insurance policy directly from an insurance agent, see step 5 below.
5. If the lender provides you with a letter removing their requirement to carry a flood insurance policy, send that letter to your insurance agent and ask to have that policy cancelled. Typically, most insurance companies can process this refund within 60 days. Most flood insurance policies sold by insurance agents are backed by the NFIP. For those policies a full refund is provided for the policy year that was in effect on June 14, 2000, the date of these Letters of Map Revision.

## **Residents of the Underlying Zone A May Benefit From the former Zone A99 or Zone X Designation**

If your building is located in one of these underlying Zone A special flood hazard areas, federally regulated lenders will still require flood insurance. The benefit is that if you purchased flood insurance at the Zone A99 rate, you can continue to carry and renew flood insurance at that low rate as long as you maintain continuous coverage by renewing the policy each year without a lapse in the policy. In addition this low grandfathered rate can be passed on when you sell the building as long as your insurance agent transfers the policy to the new owner at the time of sale. For most buildings in the underlying special flood hazard areas, the Zone A99 or Zone X flood insurance rate is much less expensive than the standard Zone A rates that will be charged for new flood insurance policies purchased after the Zone A99 has been removed.

## **Residents of Zone X**

FEMA also urges property owners to consider voluntary purchase of flood insurance because high risk areas are not the only areas in danger of flooding. About 25 percent of all flood insurance claims are from buildings located outside of the identified high risk areas in areas designated Zone X. Property owners should consider any previous localized flooding that has occurred before canceling flood insurance for property that will now be in a Zone X. If your building is in a Zone X you may be eligible to purchase a Preferred Risk Policy at a substantially lower price than the price of standard flood insurance policies. For details, please see your insurance agent.

## **For More Information**

Interested property owners may contact community representatives using the numbers provided below. Each community has a set of the Flood Insurance Rate Maps and the new Letter of Map Revision for their respective areas available for public viewing. It is the lender, not the community officials, who must make the final determination if flood insurance is required based on the Letter of Map Revision. Contact your insurance agent for information about purchasing flood insurance or obtaining refunds from existing flood insurance policies.

- ☐ Orange County: 714-834-4773
- ☐ City of Huntington Beach: 714-374-5395
- ☐ City of Anaheim: 714-765-5139
- ☐ City of Newport Beach: 949-644-3275
- ☐ City of Costa Mesa: 714-754-5245
- ☐ City of Orange: 714-744-5561
- ☐ City of Fountain Valley: 714-593-4433
- ☐ City of Santa Ana: 714-647-5800
- ☐ City of Garden Grove: 714-741-5312
- ☐ City of Westminster: 714-898-3311 ext. 215

For answers to questions about the NFIP, property owners may call 1-800-427-4661 or visit our Web site at <http://www.fema.gov/nfip>.

For information about the flood hazard mapping for the area, property owners may call the FEMA Map Assistance Center at 1-877 FEMA MAP (1-877-336-2627).